

WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Richard P. Krasnow
Adam Storchak

Attorneys for Debtors
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	:	
	:	
In re	:	Chapter 11
	:	
LEXINGTON PRECISION CORP., et al.,	:	Case No. 08-11153 (SCC)
	:	
Debtors.	:	(Jointly Administered)
	:	
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**STIPULATION AND AGREED ORDER BETWEEN THE DEBTORS AND
LIQUIDITY SOLUTIONS, INC RESOLVING CERTAIN PROOFS OF CLAIM**

Lexington Precision Corporation (“**LPC**”) and its affiliated debtor subsidiary,
Lexington Rubber Group, Inc. (“**LRGI**” and together with LPC, the “**Debtors**”), respectfully
submit this Stipulation and Agreed Order (“**Stipulation and Order**”).

RECITALS

A. On April 1, 2008, the Debtors commenced voluntary cases under
chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) before the United
States Bankruptcy Court for the Southern District of New York (the “**Court**”).

B. On June 13, 2008, the Debtors filed their schedules of assets and
liabilities. By that certain order, dated June 30, 2010 the Court established September 15, 2008
as the deadline to file proofs of claim in these chapter 11 cases.

C. Throughout the chapter 11 cases, Liquidity Solutions, Inc. (“**LSI**” and

together with the Debtors, the “**Parties**”) purchased the claims (collectively, the “**LSI Claims**”)¹ from the parties (collectively, the “**Original Holders**”) as set forth on Exhibit 1 attached hereto.

D. To resolve the LSI Claims, the Parties have negotiated this Stipulation and Order in good faith and at arms’ length and desire that it be binding on each of them.

STIPULATION AND ORDER

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and between the Parties that:

1. Upon entry of this Order, the LSI Claims shall be ALLOWED in the amounts and in the priority status as set forth on Exhibit 2 (collectively, the “**Allowed LSI Claims**”).
2. The Allowed LSI Claims shall not be subject to further reduction, offset, setoff, reclassification or disallowance pursuant to 11 U.S.C. § 502(d) or otherwise.
3. Other than payment on account of the Allowed LSI Claims in the manner set forth under the *Debtors’ Fourth Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code, as Modified*, dated May 26, 2010 (the “**Plan**”), LSI shall have no further rights of payment from the Debtors or reorganized Debtors with respect to the LSI Claims.
4. As long as (i) the Allowed LSI Claims are granted the treatment set forth on Exhibit 2 and (ii) the distribution scheme for such Allowed LSI Claims remains unchanged under the Plan, LSI shall not put any Allowed LSI Claims back to the Original Holders of such claims nor seek to recover any monies or amounts from such Original Holders on account of such claims.
5. Epiq Bankruptcy Solutions, LLC, as the court-appointed claims and

¹ For the avoidance of doubt, this Stipulation and Order shall have no effect on the claim of Wacker Chemical Corp. (claim number 246) now owned by an entity affiliated with LSI.

noticing agent in these chapter 11 cases, is authorized and directed to update the official claims register to reflect the allowance of claims set forth herein and take any further actions related to the relief granted herein.

6. Choice of Law. This Stipulation and Order shall be governed, in all respects, by the laws of the State of New York, irrespective of its choice of law rules.

7. Authority. Each of the Parties hereby expressly represents and warrants that, subject to approval by the Court and entry of this Stipulation and Order as an order of the Court, it has the requisite power, authority, and legal capacity to enter into and execute this Stipulation and Order.

8. Complete Agreement. This Stipulation and Order is the entire agreement between the Parties with respect to the subject matter of this Stipulation and Order. All representations, warranties, inducements, and/or statements of intention made by the Parties are embodied in this Stipulation and Order, and no party hereto relied upon, shall be bound by, or shall be liable for any alleged representation, warranty, inducement, or statement of intention that is not expressly set forth in this Stipulation and Order.

9. Modifications. No modification, amendment or waiver of any of the terms or provisions of this Stipulation and Order shall bind any Party unless such modification, amendment or waiver is in writing, has been approved by the Court, and has been executed by a duly authorized representative of the Party against whom such modification, amendment or waiver is sought to be enforced.

10. Counterparts. This Stipulation and Order may be executed in any number of counterparts, and all such counterparts, taken together, shall be deemed to constitute one and the same instrument.

11. Drafting and Construction. The Parties acknowledge that this Stipulation and Order is the joint work product of all of the Parties, and that, accordingly, in the event of ambiguities in this Stipulation and Order, no inferences shall be drawn against any Party on the basis of authorship of this Stipulation and Order.

12. Retention of Jurisdiction. The Court shall retain exclusive jurisdiction over any and all disputes arising out of or otherwise relating to this Stipulation and Order.

13. Binding Effect. This Stipulation and Order shall be binding on the Parties from the date of its execution, but is expressly subject to and contingent upon its approval by the Court. If the Court does not approve this Stipulation and Order, this Stipulation and Order shall be null and void.

/s/ Adam P. Strochak

Richard P. Krasnow
Adam P. Strochak

/s/ Norman D. Schoenfeld

Norman D. Schoenfeld

WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

LIQUIDITY SOLUTIONS, INC.
One University Plaza, Suite 312
Hackensack, New Jersey 07601
Telephone: (201) 968-0001 Ext. 126
Facsimile: (201) 968-0010

Attorneys for Debtors
and Debtors in Possession

IT IS SO ORDERED.

Dated: New York, New York
August 3, 2010

/s/Shelley C. Chapman

HONORABLE SHELLEY C. CHAPMAN
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Asserted LSI Claims

Claim No.	Transferor	Debtor	Asserted 503(b)(9) Claim Amount	Asserted Priority Claim Amount	Asserted Unsecured Claim Amount	Asserted Total Claim Amount
53	Associated Spring Barnes	LPC			\$14,850.00	\$14,850.00
Scheduled	Boulter Industrial	LPC			\$17,427.00	\$17,427.00
200	Earle M. Jorgensen Co	LPC	\$141,945.02		\$6,878.78	\$148,823.80
243	H&C Tools Supply Corp.	LPC	\$5,666.61		\$12,274.35	\$17,940.96
196	J. Grippe Industrial Supply	LPC	\$1,495.54		\$1,108.46	\$2,604.00
199	JTI	LPC			\$467.50	\$467.50
49	Osborn International	LPC			\$4,433.29	\$4,433.29
198	Signature Aluminum	LPC		\$38,383.94	\$69,866.58	\$108,250.52
259	SMC Metal	LPC	\$220.00		\$180.00	\$400.00
Scheduled	Uline Inc	LPC			\$426.71	\$426.71
Total			\$149,327.17	\$38,383.94	\$127,912.67	\$315,623.78
271	Alpha Technologies Services	LRGI			\$1,315.00	\$1,315.00
195	Astrodyne Corp	LRGI			\$546.65	\$546.65
201	Bertelkamp Automotive	LRGI		\$1,158.24		\$1,158.24
227	Chemetall Oakite Products	LRGI	\$476.84		\$5,630.22	\$6,107.06
280	China Auto Group	LRGI	\$32,657.50		\$7,610.00	\$40,267.50
228	CMI-Specialty Systems	LRGI	\$1,961.70			\$1,961.70
203	Container Service	LRGI			\$6,694.10	\$6,694.10
241	Cunningham Supply Co	LRGI	\$566.50		\$1,065.14	\$1,631.64
197	Dispersion Technology Inc.	LRGI	\$338.45		\$15,397.94	\$15,736.39
229	Graybar	LRGI	\$357.12		\$3,845.93	\$4,203.05
202	Kenco Toyata Lift	LRGI			\$6,918.57	\$6,918.57
242	Lakewood Automation Inc.	LRGI	\$1,175.12		\$28,733.58	\$29,908.70
100	M H Equipment	LRGI			\$1,107.74	\$1,107.74
Scheduled	MC Schroeder Company	LRGI			\$12,198.48	\$12,198.48
272	Piedmont Plastics	LRGI	\$2,633.78		\$13,566.79	\$16,200.57
257	Preferred Acquisition Co	LRGI			\$7,970.00	\$7,970.00
274	Preferred Rubber	LRGI	\$14,246.95		\$26,865.28	\$41,112.23
193	Rondy & Co., Inc.	LRGI			\$3,903.90	\$3,903.90
226	S&S	LRGI	\$1,045.28		\$3,658.48	\$4,703.76
273	Schoen Insulation SVS	LRGI			\$1,785.90	\$1,785.90
194	Signa Stortech	LRGI			\$1,231.84	\$1,231.84
260	Solar Atmosphere Inc	LRGI	\$3,950.00		\$10,010.00	\$13,960.00
258	Tech Pro	LRGI			\$3,185.89	\$3,185.89
Scheduled	Uline Inc	LRGI			\$9,220.82	\$9,220.82
Total			\$59,409.24	\$1,158.24	\$172,462.25	\$233,029.73
Grand Total			\$208,736.41	\$39,542.18	\$300,374.92	\$548,653.51

Exhibit 2

Allowed LSI Claims

Claim No.	Transferor	Debtor	Allowed 503(b)(9) Claim Amount	Allowed Unsecured Claim Amount	Total Allowed Claim Amount
Scheduled	Boulter Industrial	LPC		\$17,427.00	\$17,427.00
200	Earle M Jorgensen Co	LPC	\$142,344.62	\$6,479.18	\$148,823.80
229	Graybar	LPC	\$357.12	\$3,845.93	\$4,203.05
243	H & C Tools Supply Corp	LPC	\$6,221.71	\$11,063.79	\$17,285.50
196	J. Grippe Industrial Supply	LPC	\$1,215.28	\$1,108.46	\$2,323.74
199	JTI	LPC		\$467.50	\$467.50
8/198	Signature Aluminum Canada	LPC	\$38,383.94	\$69,866.58	\$108,250.52
259	SMC Metal	LPC	\$220.00	\$180.00	\$400.00
Scheduled	Uline Inc	LPC		\$426.71	\$426.71
Total			\$188,742.67	\$110,865.15	\$299,607.82
271	Alpha Technologies Services	LRGI		\$1,315.00	\$1,315.00
53	Associated Spring Barnes	LRGI	\$170.69	14,850.00	\$15,020.69
195	Astrodyne Corp	LRGI		\$546.65	\$546.65
201	Bertelkamp Automotive	LRGI	\$1,158.24		\$1,158.24
119/227	Chemetall Oakite Products	LRGI	\$476.84	\$5,630.22	\$6,107.06
280	China Auto Group	LRGI	\$32,657.50	\$7,160.00	\$39,817.50
228	CMI-Specialty Systems	LRGI		\$1,961.70	\$1,961.70
203	Container Service	LRGI		\$6,694.10	\$6,694.10
241	Cunningham Supply CO	LRGI	\$566.50	\$1,065.14	\$1,631.64
197	Dispersion Technology Inc	LRGI		\$15,397.94	\$15,397.94
202	Kenco Toyota Lift	LRGI		\$6,156.57	\$6,156.57
242	Lakewood Automation Inc	LRGI	\$2,991.39	\$25,261.75	\$28,253.14
54 / 100	M H Equipment	LRGI		\$1,107.74	\$1,107.74
Scheduled	MC Schroeder Company	LRGI		\$12,198.48	\$12,198.48
49	Osborn International	LRGI	\$3,017.32	\$1,415.97	\$4,433.29
272	Piedmont Plastics	LRGI	\$2,633.78	\$13,566.79	\$16,200.57
257	Preferred Acquisition Co	LRGI		\$7,970.00	\$7,970.00
274/182	Preferred Rubber	LRGI	\$14,246.95	\$26,865.28	\$41,112.23
193	Rondy & Co Inc	LRGI		\$3,903.90	\$3,903.90
226	S&S Inc	LRGI	\$1,045.28	\$3,658.48	\$4,703.76
273	Schoen Insulation SVS	LRGI		\$1,785.90	\$1,785.90
194	Signa Stortech	LRGI		\$246.00	\$246.00
260	Solar Atmospheres Inc	LRGI	\$3,750.00	\$9,785.00	\$13,535.00
258	Tech Pro Inc	LRGI		\$3,185.89	\$3,185.89
Scheduled	Uline Inc	LRGI	\$7,359.09	\$3,658.53	\$11,017.62
Total			\$70,073.58	\$175,387.03	\$245,460.61
Grand Total			\$258,816.25	\$286,252.18	\$545,068.43